(d) whether Government propose to reconsider their decision keeping in view the demands of the workers of MFIL; and

(e) if so, the details thereof?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) The Government is aware of the press report wherein *inter-alia* certain baseless and incorrect claims and allegations have been made.

(b) and (c) No, Sir. It is incorrect to say that the losses in MFIL have been deliberately shown as increased. The accounts of Modern Food Industries (India) Limited (MFIL) have been prepared by a reputed firm of Chartered Accountants, who are also on the C & AG panel of approved auditors, in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

(d) No, Sir.

(e) Does not arise.

Privatisation of Indian Airlines

1006. SHRI K.B. KRISHNA MURTHY: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether there is no convergence of views between Government and the parent Ministry over the privatisation of Indian Airlines;

(b) whether the disinvestment process of IA is going on as per schedule;

(c) whether Government have stipulated a lock-in period of minimum five years for the prospective bidders of stake in IA;

(d) if so, whether this is too long a period for the investor to wait for returns;

(e) whether any deadline has been set for IA disinvestment process to be completed; and

(f) if so, details of the same?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) It is not correct to say that there is no convergence of views between the Government and the Ministry of Civil Aviation over the proposed disinvestment of Indian Airlines.

(b) Yes, Sir.

(c) and (d) The agreements have not yet been finalised.

(e) and (f) The completion of the disinvestment exercise depends on various factors like market conditions, time taken by the prospective bidders for due diligence, finalisation of the agreements, response from the investors to the stake offered etc. In view of such market related factors, it is not possible to set any deadline for completion of the process. However, it is the endeavour of the Government to complete the process at the earliest in accordance with the prescribed procedures and regulations.

Disinvestment of Air India

1007. SHRI RAVI SHANKAR PRASAD: Will the Minister of DISINVESTMENT be pleased to state:

(a) the progress of disinvestment of the Air India;

(b) what time-frame has Government fixed for the completion of the process; and

(c) how much return do Government expect in this process?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) In response to the public advertisement inviting expression of interest, responses from the prospective parties were received. Thereafter, Bid Packs Containing Information Memorandum, Confidentiality Agreement, Drafts of the Share Purchase Agreement and Shareholders Agreement have been issued to certain prospective bidders. The Technical Bids received by the Global Advisors are under scrutiny and the process of obtaining security clearance in respect of the interested bidders is underway.

(b) The completion of the disinvestment exercise depends on various factors like market conditions, time taken by the prospective bidders for due diligence, finalisation of the agreements, response from the investors to the stake offered etc. In view of such market related factors, it is not possible to set any strict time frame for completion of the process. However, it is the endeavour of the Government to complete the process at the earliest in accordance with the prescribed procedures and regulations.

(c) The realization from the proposed disinvestment would depend on various factors like market conditions, financial performance of the Company, terms and conditions of sale, interest of the prospective investors etc. As such, it is not possible to estimate the expected return from the disinvestment.